# GOVERNMENT OF INDIA
# CIVIL AVIATION
# LOK SABHA

UNSTARRED QUESTION NO:3245
ANSWERED ON:13.08.2001
NON-PROFITABLE FLIGHTS OF AIR INDIA
RATNA SINGH

**Will the Minister of CIVIL AVIATION be pleased to state:**

(a) whether there are a number of flights of Air India which earn less in comparison to the expenditure being incurred on their operations;

(b) if so, the details thereof; and

(c) the reasons therefor?

## Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a) and (b):- Yes, Sir. From April,1999 to March,2000, in 62 flights Air India has earned less in comparison to the expenditure incurred on their operations.

(c):- The factors contributing to the losses on various routes are:-
(i) High burden of depreciation and financial costs due to replacement and augmentation of fleet and devaluation of the Indian Rupee vis-a-vis the US dollar;

(ii) Increase in expenditure as a result of weakening of the Indian rupee vis-a-vis major hard currencies;
(iii) Slow down in major traffic generating economies;
(iv) Steep increase in the prices of fuel; and
(v) High fuel consumption and material consumption as a result of an ageing fleet.